

FINAL

BAC 2004 Minutes
Meeting Date: 10/12/04

Milford Budget Advisory Committee Meeting Minutes Approved 10/19/04 Meeting Date 10/12/04

Attendance:

Therese Muller
Bill Fitzpatrick
Didi Carter
Mike Roske
Joe Stella
Bob Courage
Gil Archambault (late)

Topics of Discussion:

Approval of Minutes
Change in BAC Department Assignments
Continuation of Review of BOS budgetary meetings
 DPW Reorganization
 Police Computing Needs
 Town Clerk/Tax Collector
 Information Systems
 Miscellaneous
BAC Discussion
Closing

Next Meeting: Next BAC meeting will be at 7:30 on Tuesday 10/19, in the A/V room downstairs at the Wadleigh Memorial Library.

APPROVAL OF MINUTES

The BAC voted 6-0 (3 absent) to approve the meeting minutes of the 9/28 BAC meeting. Approved minutes will be forwarded to Alan Woolfson to be posted to the Town website for public review.

CHANGE IN BAC DEPARTMENT ASSIGNMENTS

Bob Courage and Kevin Taylor will join the team reviewing the Wastewater budget for 2005. Mike Roske will not be participating on that team.

CONTINUATION OF REVIEW OF BOS BUDGETARY MEETINGS:

1. DPW Reorganization and Management Practices:

The DPW reorganization begun in 2004 is expected to add a total cost of \$203K to the annual operating budget. \$100K of that is already committed. This reorganization was intended to remove some of the stress from the DPW director and allow the department to run more efficiently. At this point in the transition, it appears that the change will only add more layers of management to the operation and in fact require more effort on the part of Mr. Ruoff.

The 2003 BAC voted to remove all of these added positions from the 2004 DPW budget

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because the need for more management had not been demonstrated.

In order for added layers of management to be effective, the people filling new roles must be fully capable of moving up into the next higher role, or as a minimum filling the role of acting director in the absence of Mr. Ruoff. Instead, the DPW has focused on a "promote from within" approach, even if the individual promoted was not quite qualified for the new supervisory position. While the BAC supports on-the-job training, the level of training required must be such that lack of training is not a severe encumbrance on the process of doing business.

A leading indicator of management issues at the DPW is the fact that there is regularly money left in the budget at the end of the fiscal year, but yet not all work scheduled is being performed. The reorganization was also intended to help prioritize work and ensure that the DPW is adequately supporting the needs of the town, but this does not appear to be happening in 2004. It was noted that the workers and managers are doing their best and putting in long hours, but that if tasks are not being completed then some management oversight is necessary to identify and rectify the problem.

The BOS voted at the 10/11 budget work session to fund just one superintendent's position of the two planned for 2004. This is a step toward filling the identified structure, but more slowly than originally planned. The next superintendent position scheduled to be filled is for Parks and Cemeteries. Hiring for this position is expected in early 2005.

2. Police Computing Needs:

The Data Operations Technician has confirmed that the police laptops listed in his computing request for 2005 will not be needed if the Police Department chooses to use Mobile Data Terminals (MDTs) in their cruisers. The existing laptops are too out-of-date to support upgraded software owned by the Department. Using these laptops without an upgrade creates inefficiency for officers who are forced to download information into desktop computers to complete reports and other paperwork at the end of their shifts.

Federal funding may be available for equipping Police cruisers with MDTs. Using MDTs, officers could directly access information such as identifications and vehicle registration information from their vehicles rather than through the dispatch office. MDTs would also allow officers to work on reports from their vehicles, potentially increasing the length of the patrol shift each officer could work by reducing the office time required to fill out paperwork.

The Police Department has contracted with Rand Associates to provide a recommendation on the use of computing systems in the new police facility. Rand may be asked to expand their study to include recommendations for Mobile Data Terminals (MDTs), identifying specific productivity improvements, and recommending any other equipment that may be necessary in support of these terminals.

3. Information Systems:

There will not be enough room in the new Police Facility for the Information Systems department to relocate. Instead, the servers will be moved to a room downstairs in Town Hall.

The overall computing systems needs of the town are not currently well defined. The

BOS would like to get a long-term plan from a trusted source in order to get the computer situation under control for the town overall. It is possible that the Rand Associates study could be broadened to request recommendations for the town as a whole.

The BOS has declined to hire an assistant for Leen In't Veld, as they believe that the proper skills mix within the Information Systems department is also not well defined.

4. Miscellaneous

Several miscellaneous topics were also discussed at the 10/11 BOS work session:

The Ambulance department has requested updated pagers and a stair chair. This is being put on hold pending the results of the Ambulance Study Committee.

The BOS has voted to fund \$750 for medical insurance on 5 new on-call firefighters, plus \$8325 for equipment for these members.

The Finance department has been reduced by 1 person. This change will also be reflected in the 2005 Default Budget.

\$2000 needed for training regarding new water meters was funded from another budget line item.

Overall electric rate increases will be covered by the approximately \$20K annual savings to the town because of energy-efficient street lighting.

The Police department proposed the addition of 2 new officers. The BOS agreed to discuss adding 1 new officer, and then voted 3-2 not to add any new officers.

The BOS will decide at the next regular meeting whether to continue the Town's contract with the New Hampshire Municipal Association (NHMA) at a cost of \$9K per year.

The BOS approved a cost of \$7K for a manual switch to connect the main generator into Town Hall for emergency power.

The cost of health insurance for non-union employees will increase from 5% to 10%.

The Library is over its electric budget, but under its gas budget. Overall, costs are ok, so funding will be shifted from one to the other.

There was no motion on the Library's request for more computers. There was also no motion on the Library's request for more hours.

The Town has spent \$5,204 out of the 2004 operating budget for a 42" plotter in support of the GIS system.

The Recreation Department will take the funding for pool expenses out of the revolving budget and put it into the operating budget. This will be an increase of about \$40K, offset by revenue from pool tags and other sources. The final net increase to Recreation is expected to be approximately \$20K. Revenue was \$16.5K in 2004 and \$12K in 2003.

The Welfare Department will not be allowed to hire an administrative assistant. The use of volunteers is encouraged.

5. Town Clerk/Tax Collector

As part of the reorganization of town departments, the Town Clerk position, formerly a Labor Grade 20 position, will be reduced to a Labor Grade 18 position. The current Town Clerk/Tax Collector is at Labor Grade 22. The move of the Tax Collector position into the Finance department will create a 5% increase in the Finance director's wages.

BAC DISCUSSION

The BAC had a very active discussion about Town Management in general, and the DPW in particular. It has become clear to many BAC members that there are significant communication problems between Department heads and the BOS. These communication problems make it very difficult for the BOS to properly set priorities for the town and manage funding.

With the current MUNIS financial system in place and with the use of best available management practices, there is no reason why the Town Administrator and the BOS should not be better informed about the management issues within departments.

Under previous boards, the Town Administrator met on a regular basis with each and every department head and kept the board informed of significant department activities. The current Town Administrator is very busy and very active, but seems to spend significant time putting out "brush fires" which takes away from the time required for successful management.

The central question the BAC has asked itself is: "How can the BAC influence the Town to make better management choices?"

With the success of the MRI consultation regarding the Police department, and the upcoming Rand Associates consultation on Police and/or Town computing resources, the BAC questioned the possibility of hiring an outside management consultant to look into the DPW's management needs and potentially the management needs of the town as a whole. There is much in the way of management training and automated management information systems commercially available that would enable all managers within the Town's government to be more effective and focus on the important aspects of their jobs.

As a simpler approach, the BAC discussed the possibility of Department heads submitting written reports to the Town Administrator on a regular basis, perhaps as often as weekly. The format of these reports would mandate specific information and the frequency of its reporting. Simple visibility into the operation of Departments would go a long way toward seeing problems while they are still small and manageable.

It was noted that the Town has many highly skilled Department heads and administrators, but without understanding the requirements of management, these employees may not be able to be fully successful in their positions. Some discussion centered on performance evaluation, and identifying different criteria for evaluating managers than the criteria used for evaluating workers. Performance evaluation should include the promise of increased salary and benefits when criteria are met or exceeded, but must also include the threat of demotion or termination if performance criteria are not regularly met.

The BAC did not make any motions nor take any votes regarding a recommendation to the town, but will discuss these issues further at the next regular meeting.

CLOSING

The BAC meeting adjourned at 9:45 pm.

Next meeting will be in the A/V Room (downstairs in the Library) at 7:30 on Tuesday 10/19/04

ACTION ITEMS FROM 10/12 MEETING:

None.

VOTES AT THE 10/12 MEETING:

None.

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